

## **CONCERTED IGNORANCE**

### **The Social Construction of Cover-Up**

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That people can and do keep a silence about things whose open discussion would threaten the group's conception of itself; and hence its solidarity, is common knowledge. It is a mechanism that operates in every family and in every group which has a sense of group reputation. To break such a silence is considered an attack against the group; a sort of treason, if it be a member of the group who breaks the silence. This common silence allows group fictions to grow up; such as, that grandpa was less a scoundrel and more romantic than he really was. And I think it demonstrable that it operates especially against any expression, except in ritual, of collective guilt [Hughes, 1964: 28].

How are cover-ups established and maintained in large scale organizations? Social scientists have argued that collective forms of deviance derive significantly from routine expectations of ignorance. By definition, subordinates are expected to carry out orders without understanding the implications as well as do their superiors (Moore and Tumin, 1949). We have been warned about the tendency in large organizations toward the "bureau-

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cratic personality" (Merton, 1968: 249-260): the creation of a subordinate who, having abandoned an autonomous, creative orientation to work, follows orders too literally. We have also been warned of the overly great respect paid to "expertise" in our highly technological, specialized society. Deference to the expert supposedly undermines the will of subordinates to resist even those orders which would visibly cause others pain (see the experiments of Milgram, 1974). Writing in a similarly pessimistic vein in a previous article, I depicted several ways external audiences routinely legitimate domains of organizational secrecy (Katz, 1977). Bureaucratic structures and ideologies of professionalism facilitate large-scale complicity in deviance by conditioning subordinates toward passive compliance. Institutions of organizational privacy provide covers.

There is too much pathos and too little drama in this perspective (cf., Gouldner, 1955). To be sure, complex organizations are based on expectations of ignorance which separate occupants of different ranks and specializations and separate insiders from outsiders. Yet, people are rarely, if ever, completely passive in responding to expectations (on the negotiated character or roles, see Strauss, 1978), perhaps especially to the expectation that they remain ignorant. Descriptive accounts of cover-ups do not square with the theoretician's image of the subordinate who does not dare or care to understand the larger implications of a small role in an overall collective act. Nor do they show an automatic, impersonal maintenance of secrecy by organizational structure. Instead, we see difficult and often daring maneuvers to create and protect myths which claim that boundaries between hierarchical levels and between insiders and outsiders have blocked knowledge and limited culpability.

One striking feature of many organizational frauds is that insiders often participate even though they anticipate

that the fact of crime ultimately will be revealed, and they will be questioned. Operators of Ponzi or pyramid sales schemes, which use new "investments" to pay returns promised to previous investors, accumulate new income arithmetically and new obligations geometrically. At some point they know that the pyramid will inevitably collapse and fraud will be alleged. More generally, insiders to cover-ups of war atrocities, price-fixing arrangements, and political kickback collusions have reason to hope that the cover might never be blown. But they also anticipate that it might. They plan no physical "getaway"; they take up positions for a metaphysical escape. In order to understand cover-up, we must understand how people in organizations cover up cover-ups, and how they manage to take anticipatory positions in which they will remain protected if the cover-up of deviance is unsuccessful.

Strategic ignorance insulates the individual from the group's culpability. What makes strategic ignorance of particular interest to sociologists is that it is not an individual achievement. Both superordinates and subordinates and insiders and outsiders have common interests in limiting the knowledge each obtains about the other. In what are often quite tacit ways, bargains are struck as to what each will require the other to know. Without doubting for a moment that some insiders clearly and explicitly share an understanding of mutual culpability, we must also appreciate that unspoken arrangements of concerted ignorance are essential to widespread organizational deviance.

I first examine some features of modern organizations that facilitate concerted ignorance, and then I speculate on variations in social organization that might make it more difficult for members collectively to keep deviance secret. The two sections are not precisely complementary. My objective is not to specify the sources of cover-up and then to propose directly responsive counterforces, but

rather to counter the conventional view of the deferential, passive participant and to suggest a way of thinking about designing organizations so as to make strategic ignorance a less likely adaptation.

### CONCERTED IGNORANCE

(A) Three myths of organizational boundary figure prominently in many large-scale cover-ups. One is an imagined difference between "insiders" and "outsiders." The principle of moral limitations is well institutionalized: Organizational leaders have a greater responsibility to police members than nonmembers. The most prominent current example is transnational bribery. While admitting "sensitive" payments, corporations leaders have often taken the position that, questions of disclosure aside, the legality of contract inducements paid to foreign officials is properly not a matter of their concern, but a difficult question best left to the foreign legal system.

Whether collective behavior is properly characterized as the product of a relationship between insiders or between insiders and outsiders is frequently a matter of negotiation and dispute. Sometimes those who might acquire insider knowledge are unabashedly explicit in their desires to remain outsiders. Demands to institutionalize concerted ignorance have been made by stockholders who know of cover-ups and know they do not want to know what is being hidden. An SEC Chairman reported:

One large multinational corporation that had disclosed some questionable payments conducted a stockholder vote to determine whether it should disclose all foreign and political contributions. Ninety-nine percent of the stockholders voted no—they didn't want to see it [Hills, 1976: 4-5].

A corollary of the rule that limits the responsibility of organizational leadership at the boundaries of membership is the doctrine of "enemy propaganda." If the author-

ship of questionable conduct cannot be imputed to outsiders, the questions may be cast as alien. Leaders have diminished obligations to investigate charges against their own if the allegations come from outside sources with suspect motives. The force of this doctrine can be seen most clearly when it first succeeds and then fails to stem independent investigation.

In March 1968:

U.S. Army troops of the America Division massacred a large number of noncombatants (comprised almost exclusively of old men, women, and children) in two hamlets of Son My Village (known as My Lai), Vietnam. The precise number of Vietnamese killed was at least 175 and may exceed 400. . . . At every command level within the America Division actions were taken both wittingly and unwittingly which effectively suppressed information concerning the war crimes committed [Peers Report, quoted in Goldstein et al., 1976: 1].

To cover their culpability, the soldiers at My Lai had to rely on the efficacy of the standard response that dismissed allegations of American atrocities as enemy propaganda. If their superiors failed to shield them effectively against even a minimal inquiry, the field soldiers would be vulnerable (Goldstein et al., 1976: 313). Their superiors also ran a risk by being vulnerable for their part in the cover-up, but they had two lines of defense. Like the field soldiers, they could maintain that the allegations were enemy propaganda, as they did (Goldstein et al., 1976: 307-308). But unlike the field soldiers, the superiors could also have presented the appearance of having been taken in by the "enemy propaganda." This would explain their role in deflecting suspicion in the event the cover was removed and the allegations were subsequently credited. Thus, they might make credible disingenuous claims of ignorance and maintain the cover on their role in constructing the cover-up.

In the context of civilian conflicts, the defense of "enemy propaganda" is often presented by the public relations office of large corporations. Cynicism about public relations is in fact so institutionalized that it itself provides a third layer of insulation. Even if one admits having known that charges made by outsiders were true, and that corporate denials were false, the claim that leaders routinely deceive outsiders may be exculpatory.

In 1946, General Electric had first issued a directive, number 20.5, which spelled out the company's policy against price fixing in terms stronger than those found in the antitrust laws. A considerable number of the executives believed, in the words of one, that the directive was only for "public consumption" and not to be taken seriously [Geis, 1977: 124].

The executives begged lenience on a claim that they were only following orders by *not* following orders. The plea is that "everyone knows" that the picture of organizational morality presented to outsiders is a strategic myth.

(B) Similar ambiguities and equally rich resources for insulating organizational deviance have been built up around the intersection of personal career and organizational life. Take the process of terminating employees. We know that a "resignation" may not be voluntary. Professionals, political appointees, and business managers are usually dismissed without suffering the indignity of being "fired." One layer of secrecy may be created by the manipulation of "resignation" that Goffman (1952) analyzed. An offer to accept a "resignation" as an alternative to an embarrassing firing is a common technique for "cooling out" troublesome insiders who have incriminating knowledge. A second layer may be constructed by members who wish to continue to enjoy the profits of organizational deviance but with reduced personal vulnerability. By threatening to "resign" and thereby suggest

to outsiders that something is wrong, insiders with incriminating knowledge can negotiate for transfers away from the core conspiracy to positions of more strategic ignorance.

A third obfuscating layer is available due to the very fact that manipulations of labels for termination are so institutionalized. Outsiders are commonly cynical about the definition used, and this cynicism may be manipulated by leaders who realize that a (real) resignation-in-protest has become unavoidable. Because firings are so often masked as resignations, resignations can be masked as firings.

The massive insurance fraud at Equity Funding provides an example. Pat Hopper was an Equity Funding manager who had strong if not conclusive evidence of the massive insurance fraud. After Hopper resigned and left the organization,

he began to receive reports that indicated his resignation had not been made public. Fred Levin [a top Equity executive] was telling people that Hopper was on vacation. An office had even been set aside for him. It was said that he would function as a consultant. Then the rumors changed to grumbling. Hopper was flaking off. He wasn't coming to work [Dirks and Gross, 1974: 73-74].

Surprised by the "resignation," Levin needed time to prepare a context that would lend support to an interpretation that the resignation was indeed an euphemism—Hopper had been fired. At this time in the fraud, the cover might have been blown if suspicious outsiders got the message that Hopper had resigned in protest, or if insiders who were concerned about the viability of the cover-up got the message that Hopper had concluded he could no longer remain and cover himself.

Also commonly used to arrange cover-ups is a boundary between organizational and personal career that is constructed every day. An organization's restraint in investi-

gating its members' personal lives is often a condition of successful cover-up, but perhaps more important is the converse restraint. A member's personal associates do not feel free to make independent inquiry into his business life. Burns (1955: 483-484) has written on "confidant relations." More reliable and durable than most relations at work, they are useful for obtaining "absolution from having done the dirty on somebody." Confidant relations exist where "revelations that would be too embarrassing between people of equal status (in the organization) . . . can flow in one direction only, for example between husbands and 'career wives'" (see also Kanter, 1977: 116-126). A wife's distance from the business setting sets the stage for rehearsals and debriefings in which both partners can agree that the manager's presentation of self at work does not reflect his "real self."<sup>1</sup>

(C) Myths about social distance between superordinates and subordinates provide a third major resource for cover-ups. Rigid conceptions of hierarchical authority obscure the fact that people in organizations negotiate what will be expected of them. A central issue in the negotiations is what each will know about the performance of the other. Subordinates often exercise strategic control over what their superiors will know about them, and to this end they manage what they will know about superiors. Deviance that is not detected will avoid sanction, orders that have not been understood cannot be flouted. For their part, superordinates manage subordinates' perceptions of what they, the superordinates, know, so as to control obligations to make decisions. When the executive leader wants to develop policy or sanction personnel, he will often seek out the knowledge that will justify the desired decision. When he is not ready to act, he may avoid knowledge that would force a decision (see Martin and Sims, 1956).

In the face of such bilateral informal control, the persistent sanctioning of formal hierarchy (the stratification of reward and liability for collective performance) perpetuates a myth and sets up a recurrent dynamic of cover-up. Managers develop interest in not enforcing their authority because deviance in their domains would reflect failure in their leadership. Mechanic (1973: 338) notes a pattern in studies of prison guards, officers in the Armed Services, and foremen in industry:

To the extent that they require formal sanctions to bring about cooperation, they are usually perceived by their superiors as less valuable to the organization. For a good leader is expected to command obedience, at least, if not commitment.

Multiple layers of strategic ignorance may develop when subordinates at each level of a long hierarchy sense that their superiors may compromise policing responsibilities in order to avoid losing face. For example, Kermit Vandivier had the responsibility to issue a formal qualification report on the A7D aircraft wheel brake that B. F. Goodrich was developing for LTV in 1967. In his confessional account, Vandivier (1978) describes how he overcame his reluctance to report test data fraudulently. He learned that numerous engineers and managers were aware that the brake had repeatedly failed tests, that the purchaser's test flights would immediately prove the brake unqualified and might even kill the test pilot, and that if the purchaser learned that a new brake design was necessary, Goodrich would probably lose the valuable contract. He inquired of the other insiders how they could go along with the fraud that was apparently developing. He was told that by maintaining a SYA ("save your ass") file containing evidence that he had not been negligent, and by putting a negative conclusion on a substantially misleading report, he might pass the responsibility to others in the hierarchy. One manager well versed in office

politics gave him strategic information: Everyone up the line would do the same on the conviction that their management reputations would be destroyed if they reported fraud by their subordinates. They all knew that in the end company representatives, in order to protect their reputations, would have to deny that their organization *could have* engineered an elaborate cover-up. As a result, when near-disasters in test flights made the brake's incurable defects undeniable, the only participants whose guilty knowledge was provable were those who had confessed in an attempt to "blow the whistle."

(D) I have been considering relatively simple arrangements of concerted ignorance over a given organizational boundary. Any detailed examination of a large-scale cover-up probably would require an analysis of much greater complexity. The dimensions of concerted ignorance can be multiplied by combining several boundaries. The transnational bribery phenomenon permits a quick example. A corporation can gain the protection of additional ignorance when the form of payment is a "commission" to a "self-employed" business agent in another country. The work/personal life boundary as well as the member/outsider line may then come into play. Domestic companies can profess not to know that the "secret" partner who shared in the commission was a prominent politician (Jacoby, 1977: 96-97).

Concerted ignorance can be arranged with still greater complexity when several different parties participate, each invoking a different insider/outsider boundary for protection. For example, investors were attracted to Home-Stake Oil primarily as a tax-deductible drilling investment. This swindle was essentially a pyramid scheme, whereby investments that were supposed to go for developing oil reserves were in part siphoned off, and used in part to pay returns. When investors started to complain, those who had media and political clout were offered a

buy-back of their investments, less the tax gain they had realized, and they were offered evaluation reports stating inflated values for their investment's units. The units could then be donated to charitable organizations for another tax benefit. Those investors who accepted the offers were in effect bought off for not disclosing their insider information. The tax advantages of their charitable donations would have been drastically reduced if the fraud had been revealed. For their part, the charitable organizations

know that they sometimes are given junk by wealthy donors. "Everybody sort of smiled when we got our Home-Stake gift," recalled an official of a Boston hospital. For fear of offending donors, however, most charities can't often turn down gifts. "You take what you can get," said an officer from a Long Island Charity. "You don't bargain and say to the donor, 'We would rather have your General Motors.'" [McClintick, 1977: 206].

### STRUCTURAL CONDITIONS

The analytic questions, as I see them, are: Which organizational conditions would increase or decrease the number of people with guilty knowledge and thus, presumably, the risk that the cover will be blown? Which variations in organizational conditions might affect the inclinations of members to reveal knowledge to outsiders about the questionable activities of insiders?

The subject is immense and the contribution here must be judged quite modest. Obviously, not all social structures are equally feasible for organizing all types of work. Some interesting research has been done on the relation of technology to the organizational structure that can mobilize it (Woodward, 1965), but not much. For the most part, when discussing structural conditions I will not attempt to specify the types of organizations for which they are most suitable. Moreover, most of the organizational structures that at first glance appear to undermine

the foundations of cover-up, at a second glance cut the other way. I draw ambivalent implications for most of the structural conditions I discuss, and further study might find trade-offs in all.

(A) Rotation of personnel has seemed to many students of organizations a way of limiting the ability to keep deviance secret. Kaufman (1960) studied the United States Forest Service, an institution that has enjoyed a reputation virtually unblemished by corruption scandals. The working conditions of the forest ranger, far removed from the organization's central office and extraordinarily isolated even from regional population centers, would seem to facilitate corrupt relations with locally based entrepreneurs. Kaufman analyzed the deterrent value of selective recruitment and anticipatory socialization—people who become forest rangers often dream of the occupation as youths—but his comments on rotation are probably more generalizable. If someone you have not had the opportunity to know will be replacing you in the foreseeable future, you have no opportunity to guarantee the cover-up of any traces of malfeasance that you may leave; and the outsiders who might be inclined to offer bribes will have little security for investing in corruption.

Kaufman's case study was admittedly not of an organization that typifies modern occupations, but in some respects the distinctiveness of the forest ranger's work setting argues all the more strongly for the prophylaxis of rotation. Relative to inspectors and overseers who work in urban areas, rangers deal with few outsiders. Thompson (1967: 96) has written of the possibilities for control in the "boundary-spanning" units of organizations.

Boundary-spanning units, engaged in direct interdependence with elements of the task environment, are judged in part by evidence of disappointments they cause for elements of the task environments . . . elements of the task environment always have data about the capacity or

performance of these units which are not directly available to the organization itself.

The greater the number of outsiders in the "task environment," the greater the opportunity for outside investigators to seek evidence independent of the accounts given by organization leaders. If rotation deters forest rangers from colluding in conspiracies with the relatively few locals who would be in the know, it should be even more effective in deterring the typical urban inspector who would have to make arrangements with scores of enterprises in order to secure cover-ups.

However, casual examination of recent scandals suggests that for many "boundary-spanning" workers, the difficulties of coordinating cover-up and the potential for independent investigative review are not awesome deterrents. About two years ago in the New York City area, dozens of meat inspectors and meat wholesalers were successfully prosecuted for participating in a tightly organized payoff system that had been operating quietly for years. The inspectors rotate every few months to different parts of the city. Rotation was instrumental in detection: The investigation was "made" by an inspector who worked as an undercover agent and, over several months in the ordinary course of rotation, was able to map out the precise schedule of payments from over fifty wholesalers spread throughout the city's boroughs. However, it was obviously not effective as a deterrent.

There is an even more discouraging word about rotation. It has a distinctive positive value for cover-up. Even if rotation does increase the risk that an honest insider will come upon a cover-up, it often limits the risks that must be borne by a member who is participating in its outer reaches. In Gulf Oil's political bribery (McCloy, 1975: 44) and at Equity Funding, transfers to sites further removed from the core conspiracy kept wavering insiders in line. A standard practice of rotating members to differ-

ent posts might assure them that they would have to remain in vulnerable positions only temporarily.

Turnover may be a stronger deterrent to cover-up than is rotation. When leaving, as contrasted to transferring to a less vulnerable internal position, members typically lose the benefits of the organization's deviance. They incur lower opportunity costs if they blow the cover. Moreover, for an organization that is not shrinking in size, turnover brings in replacements from outside the organization. Unlike rotation, which creates and fills vacancies internally, turnover means that a cover-up would have to run the risk of socializing newcomers into the conspiracy.

The socialization experience for newcomers is quite often morally stressful (Van Maanan, 1976: 92), and turnover appears to play an important causal role in the breakdown of cover-ups. Frank Serpico, the novice New York City policeman whose refusal to be socialized led to the Knapp Commission investigation, symbolizes this point of vulnerability for systems of corruption. The young newcomer's sense of distance from the organizational role he is expected to play, and the lack of moral identification which this sustains (see Katz, 1975), is also symbolized by the Alice-in-Wonderland tenor of Andrew Tobias's confessional on National Student Marketing. Kermit Vandivier, who was the first to go to the FBI with allegations of B. F. Goodrich's A7D aircraft brake fraud and the first to go before a congressional investigating committee, was supported in his indignation from the start by Searle Lawson, the second to go to the FBI and testify to Congress, who was out of engineering school only a year before he came to Goodrich, only a few weeks before the fraud began.

Perhaps we should qualify our faith in turnover as a threat to cover-up by the amount of experience newcomers have had in other similar organizations or in the

larger institution. Unfortunately for the deterrent promise of turnover, the higher the level of the position the less likely a new occupant will require initial socialization into the institution. Entry to higher administrative levels tends to be correlated with age and experience in the institution.<sup>2</sup>

(B) I have been discussing the potential for cover-up in different patterns of recruiting, deploying, and retaining personnel. Rotation did not fare too well but turnover seems to be promising. Variations in the nature of the authority system are also relevant.

As principles of organization, hierarchy and specialization promise efficiency. By the same token, they provide incentives for cover-ups.

Insofar as the problem of control—coordinating specialists, getting work done, securing compliance—is solved by rewards of status, power, and promotion, the problem of obtaining accurate, critical intelligence is intensified. For information is a resource that symbolizes status, enhances authority, and shapes careers. In reporting at every level, hierarchy is conducive to concealment and misrepresentation [Wilensky, 1967: 42-43].

From the perspective of organizational leadership, one antidote is overlapping jurisdiction. Efficiency may be reduced, but this cost may be offset by what sociological methodologists recognize as the virtues of "triangulating" the sources of information. President Franklin D. Roosevelt, who was criticized by contemporaries as an inefficient administrator, is said to have been a master at this method.

'Roosevelt's persistent effort was to check and balance information acquired through official channels by information acquired through a myriad of private informal and unorthodox channels and espionage networks.' Roosevelt also attempted to generate information by recruiting strong personalities and structuring their work so that

clashes would be certain: 'His favourite technique was to keep grants of authority incomplete, jurisdictions uncertain, charters overlapping' [Pettigrew, 1973: 154, quoting Schlesinger; see also Wilensky, 1967: 50-53, for an earlier and more extensive related discussion of FDR].

For our purposes, the trouble with the principle of overlapping jurisdictions is that its virtue is only in revealing information to the top of the organization. If the leader is malevolent, "divide and rule" would be a shrewd way to orchestrate a cover-up. In a spirit of rivalry, departments would try to maintain secrecy from and report upward on each other, limiting the collective ability to assess the leader's design.

If "hierarchy is conducive to concealment and misrepresentation," we might look to alternative principles of organization. In a study of the social organization of the home construction industry, Stinchcombe (1959) has argued that Weber's model of bureaucracy (a preset, hierarchical definition of assignments) should not be taken as essential to rational organization. The "craft" principle is a viable alternative. In contrast to bureaucracy, craft work is organized around a "project" in which participants jointly work out a temporary alignment of responsibilities as they work along. The idea of the "task force" is analogous: "a team or project of diverse specialists who are brought together to solve a limited range of problems and then are reassigned when the task is done" (Wilensky, 1967: 46).

This organizational mechanism is promising as a deterrent to cover-up, but its strengths may not be realized when craft is the exclusive format for work. Instead of choosing between bureaucratic and craft principles, dual principles of organization can be used: Task forces can be temporarily drawn from and laid over an ongoing, neatly bounded hierarchy. An illustrative case is the modern American university:

Traditionally the American university has placed historians in one department, physicists in another, because the faculties and students of either were more interdependent with one another than with those in the other field. But as the American university has taken on new projects—liberal arts curricula, undergraduate specialization or majors, graduate curricula, adult education and public service, and interdisciplinary research efforts—its academic departments have increasingly become pools from which professional talents are allocated [Thompson, 1967: 81].

Specialization of departments and hierarchy within departments remain, but instead of assigning to these units the university's emergent or irregularly recurring tasks, they are given to a specialized administrative unit. Universitywide faculty and faculty-student committees take on such responsibilities as developing policy on the rights of human subjects in research, reviewing the university's progress in hiring women and minorities, altering the grading system, and reexamining a "core" curriculum required of all students.

In contrast to unitary systems, whether craft or bureaucratic, this dual system provides distinctive deterrents to cover-up. It presumes a sharing of power across departments, plants, or offices. The hierarchy is not the sole channel and primary director of the flow of information from and to horizontal units. Because members from different sectors have practical opportunities to share perceptions of the whole organization, "divide and control" strategies for designing cover-ups from the top become problematic.

Deviance within hierarchically organized departments is also more difficult to cover up. From the standpoint of the individual who plans to control those who would be in the know about his actions, there is the certainty that others will come on his turf and the uncertainty as to

who they will be. A member's colleagues change from project to project, and they are not bound to him by a history of tactful bargains made to facilitate everyday cooperation. Stable deals of the sort that might be contracted with a permanent administrative or auditing unit will be less likely.

From the standpoint of the individual who is uncomfortable with moral compromise in his department, the dual system provides a potentially liberating set of dual loyalties. There is a regular opportunity to take distance from the primary work group in the hierarchy and to become open to other moral perspectives.

The overlay of task forces onto a continuing hierarchy also embodies the advantages of rotation for deterring cover-up. A member's participation in a task force usually requires vacating his responsibilities in the hierarchy to some extent. If a temporary replacement is brought in, he may come across traces of deviance left uncovered in the haste of moving into the task force. In large law offices, for example, lawyers brought together in teams formed to handle major cases will often need temporary replacements to manage their ongoing, more routine caseloads. Replacements may be shocked by what they find in files and about client expectations. Freidson (1975: 232) provides a compelling example from his study of a medical group practice.

The vast majority of cases in which physicians were subjected to the ultimate stage of social pressure in the medical group—being brought up before the Executive Committee—were those in which one *physician* had complaints about another. Offending patients was not sufficient: physicians, as well, had to be offended. *Collective forms of professional control were brought into play primarily when the issue was that of inter-collegial relations, not that of patient relations or relations with the administration* [emphasis in the original]. . . . To have been given colleague attention, the refusal to make a housecall had

to have been accompanied by more heinous crimes, such as asking for a case of Scotch, collecting a fee for the call, or filling out record forms claiming that housecalls were made when they were, in fact, not made. *Most important of all to the collegium was the involvement of another colleague whose patient was refused a call that the colleague then had to make himself* [emphasis supplied].

The dual system also avoids the disadvantages of rotation. Unlike rotation, the member moves out of his job in the hierarchy and into task forces with the expectation of going back. If he has been uncomfortable with his exposure to culpability for fraud involving his specialized, hierarchical unit, team participation will not provide the relief that transfer might. He will have to live with the knowledge that he will return to an uncomfortable position while working with colleagues free from its compromises.

I would like to end the discussion here, having suggested two ideas about organizational conditions that militate against cover-up and are not yet fatally weakened by ambivalence—turnover and the dual system of task force and hierarchical authority. Whatever the merit of these ideas relative to other lines or reform (e.g., narrowing the distance between the public responsibilities of work and the sanctum of "private" life; placing representatives of the public interest in governing councils (see Stone, 1975), ethnographic research can make a singularly valuable contribution. Depending on the nature of the case, more useful data can come from intensive ethnographic studies of the emergence of instances of cover-up than from surveys that count organizations with and without the problem. If we are hesitant to assert that any organization is free of collectively guarded secrecy, we may still work on the problem by examining retrospectively the processes of arranging and dismantling concerted ignorance.

## NOTES

1. Turner (1976) contrasts folk conceptions which locate "the real self" in and outside of a person's experience in institutions.

2. This qualification is especially necessary to understand the incidence of collective frauds in new, fast-growth companies. In new companies, all members will be new on the job. Yet they often share "latent culture" (Becker and Greer, 1960), a functional equivalent to internal tenure for socialization. New companies typically do not start by obtaining upper-echelon members on meritocratic, universalistic principles, through nationwide screenings on objective test criteria. More often than established firms, they recruit managerial staff through informal social networks. The new group will frequently share latent culture, formally irrelevant social identities that were previously held in common. These may be, for example, school ties, ethnic group identifications, regional backgrounds, kinship relations, or acquaintanceships in the trade.

For colleagues in new organizations, these years of shared background experiences may provide the basis for the in-group feeling that otherwise might develop within an organization only after members fight common battles over several years. Latent culture often supplies two important resources for cover-ups. It is an informal principle of association, already subterranean or invisible to outsiders. In many cases, continuing personal debts will have been created within the prior shared relation. These debts may be drawn on to preserve the cover-up. An example is the experience of Harry Fitzgerald, the Executive Vice President of Home-Stake Oil.

Fitzgerald, the engaging James Joyce expert and reformed alcoholic playboy whom Trippet [the company president] had rescued from the gutters of Manhattan [the Winslow Hotel] in 1959, had been trying to quit Home-Stake for some time. As the company's top salesman, his attitude always had been that of the brothel pianist who claims ignorance of what goes on upstairs.

When Fitzgerald finally did resign, he wrote Trippet: "My mental and physical condition have deteriorated to such an extent that I can't even begin to continue. . . . You have been my loyal friend and have probably done more for me than anyone I know. . . . Don't worry about me. (Remember I've been to the Winslow.)" [McClintick, 1977: 175-176].

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